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**STATEMENT CLAIMING SMALL ENTITY STATUS**  
**(37 CFR 1.0(f) & 1.27(c))—SMALL BUSINESS CONCERN**

Docket Number (Optional)

Applicant, Patentee, or Identifier: Bahn Wood and Charles Edward Breeze  
Application or Patent No.: N/A  
Filed or Issued: N/A  
Title: Interactive Reward System and Method

I hereby state that I am  
☐ the owner of the small business concern identified below;  
☒ an official of the small business concern empowered to act on behalf of the concern identified below.

NAME OF SMALL BUSINESS CONCERN The Internet Money Exchange Pty. Ltd.

ADDRESS OF SMALL BUSINESS CONCERN Level 12, 456 Kent Street, Sydney,  
New South Wales, Australia

I hereby state that the above identified small business concern qualifies as a small business concern as defined in 13 CFR Part 121 for purposes of paying reduced fees to the United States Patent and Trademark Office. Questions related to size standards for a small business concern may be directed to: Small Business Administration, Size Standards Staff, 409 Third Street, SW, Washington, DC, 20416.

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- ☒ the specification filed herewith with title as listed above.  
☐ the application identified above.  
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NAME OF PERSON SIGNING CHARLES EDWARD BREESE RAHN WOOD  
TITLE OF PERSON IF OTHER THAN OWNER DIRECTOR DIRECTOR  
ADDRESS OF PERSON SIGNING 40 KERRIS STREET, REDFERN 11 TARONGA ST COMO  
NSW, 2016, AUSTRALIA NSW 2226 AUSTRALIA  
SIGNATURE C Breeze RW DATE 23 April 1999

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**STATEMENT CLAIMING SMALL ENTITY STATUS  
(37 CFR 1.9(f) & 1.27(b))—INDEPENDENT INVENTOR**

Docket Number (Optional)

Applicant, Patentee, or Identifier: Rahn Wood and Charles Edward Breese

Application or Patent No.: N/A

Filed or Issued: N/A

Title: Interactive Reward System and Method

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☒ Each such person, concern, or organization is listed below.

The Internet Money Exchange Pty, Ltd.  
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456 Kent Street  
Sydney, New South Wales, Australia

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Rahn Wood  
NAME OF INVENTOR

Signature of inventor

23 April 1999  
Date

Charles Edward Breese  
NAME OF INVENTOR

Signature of inventor

23 April 1999  
Date

NAME OF INVENTOR

Signature of inventor

Date

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## INTERACTIVE REWARD SYSTEM AND METHOD

### Field of Invention

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The present invention is directed to a computerized interactive offer and reward processing system, and more particularly, to a coupon issuance and redemption system for use in interactive mediums such as the Internet.

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### Background of the Invention

In recent years, there has been enormous growth in Internet and online shopping and other online consumer transactions. Additionally, many "regular" businesses have created websites to promote their products and

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services. Businesses, especially e-commerce businesses, have the need to attract customers to their websites. One common way to attract Internet customers to a website is to advertise on other websites.

5 In the Internet environment, a typical advertisement on a website is what is known as a banner advertisement. A banner advertisement can be an advertisement that appears towards the top or bottom of a webpage on a website. Microsoft Press, Computer Dictionary, 3rd Edition,  
10 defines a banner to be a section of a webpage containing an advertisement that is usually an inch or so tall and spans the width of the webpage. The banner contains a link to the advertiser's website. Thus, a banner advertisement has an webpage associated with it, which is  
15 usually the webpage at the website of the advertiser. When a user selects the banner advertisement, for example, by clicking on the banner advertisement, the user is taken to the webpage associated with the advertisement. That is, when a user clicks on the banner  
20 advertisement, the webpage specified in the banner advertisement is downloaded to the user's computer for viewing by the user's Internet browser program.

25 In this document, the term "interact with" will be used as a generic description of the process of selecting or clicking on an advertisement or other interactive image in order to be taken to a webpage (or other output display) or to have displayed further information  
30 regarding or associated with the advertisement.

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There are other types of advertisements that can be utilized on the Internet. Presently, banner advertisements are one of the most common forms of Internet advertising.

The value of Internet advertising to a business can be seen in the following two examples. Juno Online is a "free" email service and is said to be the second largest Internet Service Provider (ISP) in the United States. It is financially supported through electronic advertising. See U.S. Patent No. 5,809,242 to D. E. Shaw et. al. See also U.S. Patent Nos. 5,838,790 and 5,848,397. Geocities is a popular service that hosts websites for "free". It is financially supported by advertisers. Each user who creates a "free" website that is hosted by Geocities agrees to allow Geocities to include banner advertisements on the user's website.

However, with the growth of Internet advertisements, and because banner and other Internet advertisements are becoming quite common, Internet users have become more discerning as to which advertisements they react to. Accordingly, the "click-through" rate for many Internet advertisements is decreasing. (The click-through rate is the number of users who select the advertisement by clicking on it divided by the total number of users to whom the advertisement is displayed.)

As a result, there is a need for an incentive scheme to

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reward users who interact with banner and other Internet advertisements.

Various promotional programs have been implemented to  
5 attract consumers to websites. For example,  
cybergold.com has a scheme that allows users to establish  
a cybergold account. Points will accrue in the account  
when the user performs various functions, such as  
visiting a website, interacting with an advertisement or  
10 purchasing a product. These points can be redeemed to  
purchase products. Netcentives.com is a promotional  
program that allows users to earn points for completing  
activities on websites. Users can earn points for doing  
things like purchasing products, downloading software and  
15 completing surveys. These types of schemes have had  
limited success due to their complexity, the need to pre-  
register and establish an account and the difficulty of  
redeeming points for products.

20 Electronic coupon systems have been proposed as a  
marketing tool. One example is the marketing network and  
process described in a patent by Golden et. al., U.S.  
Patent No. 5,761,648. However, that system has a number  
of deficiencies. The coupons are not associated with  
25 advertisements, and so do not in themselves attract users  
to interact with an advertisement on an Internet site.  
All coupons are stored on a service database for  
selection. Thus, each coupon competes with other coupons  
in the system for the attention of the user. The coupon  
30 must be downloaded to the consumer's computer. This

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means the coupon could be lost if the consumer's hard disk crashes. To redeem the coupon, it must be printed out or electronically transmitted to the merchant. In the Golden et. al. system, it is difficult (if not impossible) for the consumer to redeem the coupon if shopping electronically from a computer other than the computer to which the coupon was downloaded.

Another example is U.S. Patent No. 5,855,007 to Jovicic et. al. This patent describes an electronic coupon communication system for generating and redeeming product discount coupons over the Internet. Again, the coupon must be stored on or printed at the user's computer.

Accordingly, there is a need for an incentive program that:

1. encourages users to interact with electronic advertisements that are associated with the present invention;
2. takes minimal time and skill to use;
3. does not require pre-registration;
4. aligns with real-world experiences;
5. is easy to implement;
6. provides easy-to-redeem offers;
7. allows tracking of sales and consumer preferences; and
8. will likely attract significant traffic to participant's website or "place of business".

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There is a similar need for an interactive reward system outside of the Internet environment. For example, there are many different kinds of interactive media, such as, 5 for example, cable TV, digital TV, web TV, interactive kiosks, automated teller machines, in-flight entertainment units, mobile telephones and gaming devices. It is common for advertisements and interactive images to be output in such interactive media.

10 Accordingly, there is also a need for an incentive program that encourages users to interact with such promotions.

#### Summary of the Invention

15 The present invention is directed to a computer-implemented reward-based advertising system and method. For convenience of description only, the present invention will be described in the context of

20 advertisements, pages and interactive images displayed on websites. However, as will become apparent below, the present invention is not so limited to this representative embodiment, and has many uses outside of Internet webpage advertisements. As discussed in detail

25 below, the present invention is not limited to advertising on websites, and can be used with many interactive media technologies, for example, digital TV, interactive kiosks, automatic teller machines and in-flight entertainment units.

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In the representative embodiment, the present invention can be used to attract users to participant's websites. Users can collect rewards simply by interacting with an advertisement or image, e.g., clicking on a banner

5 advertisement on a website.

An advertisement, such as a banner advertisement, that is part of the system of the present invention can be marked in a certain way, for example, with a distinctive

10 "reward" logo, border or icon. When the user sees an advertisement with rewards marking, it will indicate to the user that a reward will be available to the user in exchange for interacting with this advertisement. Accordingly, this marking will attract the user to this  
15 advertisement as compared to other advertisements without the rewards marking. The marking makes it easy for users to determine which advertisements are worthwhile to click on.

20 The system can also operate successfully in cases where participating advertisements do not have the reward marking. For example, some advertisements could grant to the user a "surprise" reward if the user interacts with the advertisement. However, in this case, the user would  
25 not be likely to be attracted, in the first instance, to the advertisement because of the system of the present invention. It may, however, encourage repeated selection of a web page or interactive image.

30 According to the present invention, rewards can be easily

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redeemed and transferred.

In the representative embodiment, the available offers and rewards are maintained in a central database. This makes administration and control of the system simpler and more efficient. Additionally, it prevents users from misplacing the rewards to which they are entitled. In the representative embodiment, the central database is maintained by a system administrator.

10

For ease of explanation, the advertiser (i.e., the person paying for the banner advertisement) will be assumed to be the same person who creates the offer and assumes liability for redemption of the reward. To avoid confusion, this person will be called the promoter. As will be appreciated, there will be many promoters utilizing a single embodiment of the present invention and taking advantage of the central database.

20 From a consumer's point of view, the system is extremely simple. Assume that the user is connected to the Internet via an ISP or online service such as Compuserve or AOL and is "surfing" the World Wide Web or other online service. The user is visiting a number of websites (or other form of content location). Each website may have one or more banner advertisements. When the user sees a page, banner advertisement or interactive image with a rewards marking, it will indicate to the user that a reward will be available for interacting with this advertisement and will encourage the user to do so.

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The user may then select this advertisement, for example, by clicking on the advertisement. If the user does so, the user then will instantly and automatically "receive" a reward. The reward is stored in the central database  
5 and need not be physically or electronically transferred to the user. At the end of the reward allocation process, the webpage associated with the advertisement (e.g., the webpage of the promoter) is usually (but not necessarily) displayed to the user.

10

There are many kinds of rewards that can be accommodated by the present invention. Examples of rewards offered by a promoter may include:

- 15 • save 5% when purchasing goods at the promoter's website;
- get a free X when you purchase Y at the promoter's website;
- pay no shipping when you purchase goods at the  
20 promoter's website; and
- get two for the price of one at the promoter's webstore.

A reward may also be a physical coupon that can be printed for use/redemption at the promoter's real-world  
25 shop or premises.

A reward may include one or more conditions, for example, an expiry date, and whether the reward is "single use" or can be used more than once.

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the user, automatically reduce the total price paid by the user or revise the transaction to reflect the redemption of the reward. If there is more than one applicable reward available, the promoter will prompt the user as to which one the user wishes to redeem. As can be seen, in this second redemption scenario, the promoter will interact with the central database to obtain information about available rewards for that user. Thirdly, the user can print a record of the reward and redeem it at a physical outlet specified by the promoter.

In the representative embodiment of the present invention, Internet technology is used to minimize inconvenience or paperwork for the user. Each user of the system is allocated a unique user number by the system administrator. This user number is stored on the user's computer, for example, in a "cookie" maintained by the user's Internet browser. (Examples of Internet browsers include Netscape Navigator and Microsoft's Internet Explorer. A cookie is a block of data that a web server stores on a client system. A copy of the cookie can be sent to a website server when the user visits the website.) The user need not know that the user number is being stored on the user's computer -- this can be done seamlessly by the browser program. However, the user number can be made available to the user so that if the user's computer crashes or if the user uses another computer, the user can still have access to his or her rewards.

The user's rewards are stored in the central database indexed under the user number of the user.

There is no need for rewards to be electronically or  
5 otherwise transmitted or sent to the user. The only  
information that need be provided to the user is the user  
number, and although desirable to do so, providing the  
user number to the user is an optional feature.

10 The promoter can easily create, delete and modify offers. An offer sets out the appropriate rules or parameters that, if fulfilled by the user, will become a reward available for redemption or transfer by that user.

Offers are stored in the central database. An offer is  
15 associated with one or more advertisements. The rules  
for an offer can specify start dates and end dates for  
the creation of the reward from the offer, the type of  
user the offer is open to, the redemption rules, etc.

20 An advertisement may have more than one offer associated with it. For example, U.S. residents could receive one reward and users living out of the U.S. may receive a different reward for interacting with the same advertisement.

25

Accordingly, one can see that the present invention has a number of benefits.

Consumers will be attracted to promoter's websites via  
30 their participating advertisements. To create an extra

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invention has broader application. For example, it is not limited to banner advertisements, but can be used in conjunction with other types of interactive advertisements, web pages, interactive images and even  
5 simple hypertext links. As described in the detailed description below, the present invention can be used in conjunction with many different interactive media, such as, for example, cable TV, digital TV, web TV, interactive kiosks, automated teller machines, in-flight  
10 entertainment units, mobile telephones and gaming devices.

In the place of a cookie, a physical token (e.g., magnetic stripe card or smartcard) or user ID number may  
15 be utilized to track a user's rewards accumulation within the database.

Thus, the present invention provides a number of benefits. For example, the present invention:

- 20
1. encourages users to interact with promoter's advertisements instead of the advertisements of others;
  2. takes minimal time and skill to use;
  - 25 3. does not require pre-registration;
  4. aligns with real-world experiences, such as collecting coupons;
  5. is easy to implement;
  6. is flexible in operation;
  - 30 7. provides easy-to-redeem rewards;

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- 1 allows tracking of sales and consumer preferences;  
and  
9. will likely attract significant traffic to the  
promoter's website, store or other advertising or  
5 sales medium.

#### **Brief Description of the Drawings**

Fig. 1 is a block diagram illustrating the typical  
-10 hardware components of the user's computer used in  
conjunction with the representative embodiment of the  
present invention.

Fig. 2 is a block diagram illustrating the typical  
15 network environment of the representative embodiment.

Fig. 3 is a high level flow chart representing the  
process of obtaining a reward according to the present  
invention.

20 Fig. 4 is a high level flowchart representing one way of  
redeeming a reward according to the present invention.

Fig. 5 is a high level flowchart representing an  
25 alternative way of redeeming a reward according to the  
present invention.

Fig. 6 depicts the database structure of the central  
database of the present invention.

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Fig. 7 is a high level flowchart representing redeeming a physical coupon or reward.

**Detailed Description**

5 Referring now to the drawings, and initially Fig. 1, there is illustrated in block diagram form the representative hardware elements of a user's computer 2. In the representative embodiment, the computer 2 is used  
10 by a typical user to access the Internet and view webpages or other content. The computer 2, such as a multimedia personal computer (MPC), comprises a processor 4, such as an Intel Pentium processor, RAM 6 and a hard disk drive and hard disk 8. Although the processor 4 can  
15 be any computer processing device, the representative embodiment of the present invention will be described herein assuming that the processor 4 is an Intel 486 processor or higher. The hard disk 8 stores an operating system, such as the Microsoft Windows 98 or Windows NT  
20 operating system, which is executed by processor 4. The present invention is not limited to the Windows operating system, and with suitable adaptation, can be used with other operating systems. For ease of explanation, the representative embodiment as described herein assumes the  
25 Windows 98 operating system.

Application program computer code is stored on a disk that can be read by drive 8 and executed by processor 4. In the representative embodiment, the user's computer 2  
30 will have a web browser program (such as, for example,

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Internet Explorer or Netscape Navigator). Ideally, the browser program should be able to accept, store and send cookies.

- 5 The computer 2 is coupled to the Internet 20. Typically, the computer 2 will be coupled to the Internet 20 via a modem 10.

Coupled to the computer 2 are one or more input devices  
10 12, such as a keyboard, mouse, joystick, trackball, microphone, scanner, and the like. Also coupled to the PC are one or more output devices 14, such as a monitor, sound speakers, printer, and the like.

- 15 Turning now to Fig. 2, there is illustrated a typical network environment applicable to the representative embodiment. As discussed above, the user's computer 2 is coupled to the Internet 20. Also coupled to the Internet is a computer 50 operated by a system administrator of  
20 the scheme. The system administrator has a website 52 controlled by the computer 50, typically a webserver computer. The computer 50 also runs an application program 54 (implementing, in part, functions of the present invention) and a central database 56 (discussed in  
25 detail below). The central database 56 and computer 50 are maintained by the system administrator. The central database, as discussed in detail below, stores the available offers and rewards.

- 30 The central database 56 can be implemented using a

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as is well known in the art.

Fig. 3 is a highlevel flowchart representing the process of obtaining a reward according to the present invention.

- 5 The user (using the user computer 2) visits a website, e.g., website 32 (step 60). The user selects the advertisement 34 on the website 32 (step 61). (If the user does not select an advertisement, the process according to the present invention does not take place.)
- 10 If the user selects the advertisement 34, the central application 54 tries to identify the user. It does this by determining if a reward cookie (that includes a unique number ID) (step 62). If there is no cookie, the user is asked if the user will participate (step 63). If the
- 15 user does not wish to participate, content associated with the promoter is displayed on the user computer 2, e.g., the website 42 of the promoter (step 67a). If the user does wish to participate, then the central application 54 attempts to set a reward cookie (step 65).
- 20 If the cookie cannot be set, the user is requested to enter an ID number (step 64). If an invalid ID is entered, the user is returned to step 63.

Once the user has been identified by the central

- 25 application 54, the central application determines if the selected offer is valid (step 66). If the offer is not valid, content provided by the promoter can be provided to the user (step 67a).

- 30 If the offer is valid, the central database 56 is updated

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to show that the user has been allocated a reward (step 68).

Thus, the user receives a reward associated with the  
5 advertisement 34, as specified by the promoter (step 68),  
and optionally, a message is displayed to the user  
informing the user that he or she has received a reward  
(step 69). The reward is stored in the central database  
56, indexed under a user number (ID) associated with the  
10 user (step 68). Content associated with the promoter is  
displayed on the user computer 2, e.g., the website 42 of  
the promoter (step 67b).

In further detail, when the user interacts with the  
15 advertisement 34, the user will be temporarily redirected  
to the central application 54 to allow for the  
identification of the user, issuance of the reward and  
security confirmation. Steps 62 through 68 are explained  
in more detail as follows:

20

When the user selects the advertisement 34 (step 61),  
control of the process is passed to the central  
application 54. The central application 54 processes the  
interaction in the following steps:

25

1. *Identify the user.* Each user has a unique number  
ID). This ID can be maintained automatically by the user  
computer 2 (e.g., as a cookie) or manually entered by the  
user each time a reward is received (step 64). The user  
30 has the responsibility to maintain their own ID. Total

- check if the user has a valid ID; and if not,
- present the manual entry form for entry of the ID plus registration options for first time users.

3. Redirect the User to the target address as specified  
15 by the Promoter and stored in the central database 56  
(step 67b). In this example, the target address is the  
promoter's website 42. The central database 56 redirects  
the user computer 2 to the target address.

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user.

There are three typical means to allow a user to redeem a reward. First, the user can redeem a reward by visiting a central website 52 and redeem a reward there. This is illustrated in Fig. 4. The user visits the central website 52 operated by the central database 56 (step 70). If the user ID is stored as a cookie, then the cookie is accepted (step 71) and this ID is seamlessly made available to the central application 54. If a cookie is not accepted, then the user is prompted to manually enter the ID (step 74). The central application determines if the ID provided is valid. Assuming that the ID is valid, the central application 54 will retrieve from the database 56 (step 76) and display a list of rewards available for that user (step 77). The user will select a reward for redemption (step 78) and will be taken to the promoter's website, e.g., website 42 (step 79). A program or script running at the promoter's website will then redeem the reward according to its conditions. For example, the user will complete the purchase (step 80), and optionally, the reward will be expired in the central database 56.

Secondly, the user can redeem a reward at the promoter's website (e.g., 42), as set out in Fig. 5. For example, the user is shopping on the promoter's website (step 60). A shopping script is running on the promoter's website 42 (step 100). For example, the user selects a product to purchase. The user is asked whether or not the user

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wishes to claim a reward, for example, by selecting a "claim Reward" button or link on the promoter's website 42 (step 102). If the user does not claim a reward for this purchase, the purchasing process continues as it would prior to implementation of this invention (step 5 104). If no cookie is located, the user is asked to enter a valid ID (step 105). If the user enters an invalid ID, purchasing process will continue as normal without a reward (step 104). The shopping script will 10 call the central application 54 to query the central database 56 to obtain a list of rewards (step 76). The central application 54 will retrieve from the database 56 (step 76) and display a list of rewards available for that user (step 77). The user will select a reward for 15 redemption (step 78) and the total purchase price is recalculated to take into account redemption of the reward (step 108). A program or script running at the promoter's website will then redeem the reward according to its conditions. For example, the user will complete 20 the purchase (step 80), and optionally, the reward will be expired in the central database 56 (step 81).

Thirdly, as an alternative to redeeming a reward online, the user can print a reward coupon. This is illustrated 25 in flowchart form in Fig. 7. Fig. 7 is similar to Fig. 5 in a number of respects, so the same reference numerals are used for similar steps and are not explained again here. After selecting the reward (step 78), the user prints a reward coupon which includes a reward number or 30 other identifier (step 120) and presents the coupon at a

5 telephone or web interface (step 124).

10 comprising a number of tables. There are other tables  
for audit, administrative and archive purposes.

a software tool.

15

20 database 56.

The form will ask the Promoter to specify the following:

- 25

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5 After this information is submitted, the promoter will receive an ID enabling them to alter this information at a later date. They will also receive two identifiers: one being the target, the other being the target for the redemption of the reward.

The system administrator can perform management functions on the central database 56.

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	<b>Promoter Functions</b>
P01	Register
P02	Logons on
P03	Create Offer
P04	List Offers
P05	Update Offer
P06	Delete Offers
P07	Validate reward
P08	Expire reward
	<b>Management Functions</b>
M01	Logon
M02	Runs a report
M03	Suspend Promoter
M04	Delete an Offer
M05	Create an Offer
M06	Set parameters

#### U01 User receive reward - 1<sup>st</sup> time with cookie

##### **Pre-Condition**

User is connected to Internet

- 5 User accepts cookies

##### **Use Case**

1. User is surfing the web
2. User clicks on interactive image - banner/advert/text
3. User sees 'welcome to Rewards' web page
- 10 4. User clicks 'continue'
5. User taken to target web page

##### **Post Condition**

User's receives cookie ID

[Optional: User writes down ID]

- 15 Central database updated

#### U02 User receive reward - 1<sup>st</sup> time with NO cookie

##### **Pre-Condition**

User is connected to Internet

User does **not** accept cookie

- 20 **Use Case**

1. User is surfing the web
2. User clicks on interactive image - banner/advert/text
3. User sees 'welcome to Rewards' web page
4. User clicks on 'no cookies please'

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- ## 10 Promoter use cases

## Pre-Condition

15

- 25 3. Promoter clicks 'OK'

```
Promoter is registered
Promoter receives id & password
```

### Pre-Condition

## Use Case

1. Promoter clicks 'Promoters'



**Post Condition**P03 Promoter List Offers**Pre-Condition**

Promoter is logged on [p02]

5 **Use Case**

1. Promoter reads offers

**Post Condition**P04 Promoter Create Offer**Pre-Condition**

10 Promoter is logged on [p02]

**Use Case**

1. Promoter clicks 'New'

2. Promoter enters offer details:

- Promoter
- 15 • Target URL
- Description of offer
- Start date
- End date
- Can offer be copied [ Y | N ]
- 20 • Can offer be transferred [ Y | N ]
- Can user clip multiple offer [ Y | N ]

3. Promoter clicks 'OK'

**Post Condition**

Promoter receives html tag to use

25 Central database is updated

P05 Promoter Update Offer**Pre-Condition**

Promoter is logged on [p02]

Promoter has created offer [p04]

30 **Use Case**

1. Promoter selects offer

2. Promoter changes details:

- Target URL
- Description of offer
- 35 • Start date
- End date

3. Promoter clicks 'OK'

**Post Condition**

Promoter receives html tag to use

40 Central database is updated



3. Admin enters password
4. Admin hits 'enter'
5. Admin screen is displayed

### Post Condition

5 Admin is logged on

M02 Admin runs a report

## Pre-Condition

Admin is logged on [m01]

## Use Case

```
10 1. Admin clicks 'reports'
    2. Admin enters report criteria:
    3. Admin clicks 'OK'
```

### Post Condition

```
15 Admin gets report on screen
```

### M03 Admin Suspend Promoter

### Pre-Condition

Admin is logged on [m01]

## Use Case

```
20 1. Admin enters promoter ID
    2. Admin clicks 'Suspend'
    3. Admin clicks 'OK'
```

### Post Condition

25 Promoter is suspended  
No confirmation screens are displayed for this promoter

#### M04 Admin Delete an Offer

## Pre-Condition

Admin is logged on [m01]

## 30 Use Case

1. Admin enters promoter ID
2. Admin selects offer from list
3. Admin clicks 'delete'
4. Admin clicks 'OK'

35

### Post Condition

Offer is deleted  
No confirmation screens are displayed for this offer

### Pre-Condition

## Use Case

- ### Post Condition

- ## M06 Admin Sets Parameter

```
15 obtain and store the name of the user).
```

Admin has created offer [m05]

## Use Case

- ## 25 Post Condition

*Summary of representative system from user's viewpoint:*

1. The User is viewing the web.

30 2. The User activates an interactive image 34 that is associated with an offer.

3. The User receives a reward which is stored in the central database 56.

4. The User can use a web page at a central website 52

```
35         to list all their current rewards and their status
```

(currency and priority) or to send a reward to another User.

5. The User may redeem the reward by communicating with the promoter.

5

***Summary of representative system from promoter's viewpoint:***

1. The Promoter registers online with the system
2. The Promoter registers offers and their definition  
10 in the central database 56.
3. The Promoter places an interactive image 42 on the web and a target address for the image/banner.
4. Users receive rewards by activating the image 42.
5. User redeem rewards by interacting or transacting  
15 with the Promoter.
6. As part of the redemption, the reward application tracks and authenticates the reward for the promoter.
7. On authentication of the reward the Promoter  
20 fulfills the offer.

The present invention has been described above in the context of browsing on the World Wide Web. However, the present invention is of general applicability and is not  
25 limited to this application. For example, the following are applications that will benefit from the present invention. What is common to the cited examples is that they are all networks of devices with which users can interact and rely upon the use of unique user  
30 identifiers. The software used to implement the present

invention can be modified so as to perform these applications:

***Automatic Teller Machine/Self-Service Kiosk/Point of Sale***

**5 *Terminals***

The present invention can be used in conjunction with an automatic teller machine (ATM), self-service computer controlled kiosk or POS terminal. Typically, a user will  
10 insert a card (such as an ATM card, credit card, debit card or smart card) to commence a transaction. Advertising is displayed to a user on a screen (for example, a touchscreen) before, during or after a typical transaction. The advertisements can be enabled with the  
15 rewards indicator 36 and related to an offer in the central database 56. When an advertisement 34 or image is selected by the user via touchscreen or trackball, a reward is associated to the card or account that is being used. Specific screens can be used to display the  
20 rewards currently held. The card can then be used to redeem rewards to print coupons or at a point-of-sale device linked to the central rewards database.

***Mobile (Cell) and Fixed Line Phones and Personal Data***

**25 *Assistants***

The quality of screen displays on mobile and fixed line telephones and PDAs is improving. Such displays can be used to display messages and other information such as  
30 stock prices and bank account balances. A service that

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transmits information messages to a mobile phone could also transmit and display to the user an advertisement 34. If the user sees advertisement that has an associated rewards indicator 36, and responds, (for 5 example, by pressing the '#' button on the telephone keypad) then their telephone ID number (such as a SIM card number) will be recorded in the database 56 as being eligible to claim the selected rewards. Accrued rewards can be reviewed via an Interactive Voice Response (IVR) 10 or screen-based menu using the telephone. Redemption of a reward could occur automatically using Caller Line ID or entering the phone number when the user places their order via their telephone.

15 It will be appreciated that more than one method can be used to obtain and view rewards. For example, if the user number of the web application discussed in the detailed description above was associated with the user's mobile telephone ID number, a user could obtain, view and 20 redeem rewards using both their web browser and mobile telephone. A single "account" could store all rewards for that user.

### ***Stadium Seats***

25

Advertising can be displayed during replays and close-ups via in-seat monitors at newer or refurbished stadiums. Some or all of these advertisements can include a rewards indicator 36 related to an offer in the central database 30 56. When an advertisement or image is selected by the

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user, for example, via touchscreen or special response key, a reward is associated to the seat or member number (where seating has been allocated by subscription or season pass.) Specific screens can be used to display  
5 the rewards currently held. Rewards might include member related services (e.g., future games) or in-seat services (merchandise or food offers).

#### ***Airline and other Travel Tickets***

10

Advertisements can be displayed during in-flight narrowcast via in-seat monitors. Some or all of these advertisements can include a rewards indicator 36 related to an offer in the central database 56. The central  
15 database 56 can be updated before departure and after landing. A local database (for example, located on the airplane) is used to temporarily store information if the airplane is out of contact with the central database 56. When an advertisement 34 or image is selected by the  
20 user, for example, via touchscreen or special response key a reward is associated to the seat or card number (where a payment or loyalty card has been used). Specific screens can be used to display the rewards currently held as stored in the local database. Rewards  
25 might include related services (eg. free in-flight telephone call, discounts at duty free store or car rental offers).

While the present invention has been particularly shown  
30 and described with reference to representative





WHAT IS CLAIMED IS:

1. A computer-implemented method for interactively and electronically distributing rewards, comprising the steps of:

displaying an image on a computer screen of a local computer, the image comprising a reward indicator, wherein the local computer is coupled to a computer network;

enabling a user to select the image;

at a central location coupled to the computer network, determining the identity of the user;

at the central location, allocating to the user a reward associated with the image; and

optionally redirecting the local computer to content associated with the image.

2. The method of claim 1 wherein the step of determining the identity of the user further comprises the steps of:

determining if the local computer comprises a cookie storing an ID number indicating the identity of the user; and

providing the ID number to the central location.

3. The method of claim 1 wherein the step of determining the identity of the user further comprises the steps of:

determining if the local computer comprises a cookie storing an ID number indicating the identity of the user;

if there is no cookie storing an ID number at the local computer, asking the user to input an ID number;

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4. The method of claim 1 wherein the step of determining the identity of the user further comprises the steps of:

if there is no datafile storing an ID number at the local computer, asking the user to provide a pre-assigned ID number;

if an ID number is provided to the central location,  
checking the validity of the ID number at the central  
location.

providing the local computer with an address of a website comprising the content associated with the image;

6. The method of claim 5 wherein the step of allocating

to the user a reward associated with the image further comprises the steps of:

storing a reward identifier in the database associated with the user; and

optionally causing a message to be displayed to the user at the local computer informing the user of the reward allocated to the user.

7. The method of claim 5 further comprising the steps of:

allowing the user to access the database via the Internet; and

providing to the user, via the Internet, a list of rewards that have been allocated to the user.

8. The method of claim 7 further comprising the steps of:

allowing the user to select a reward from the list of rewards;

providing the local computer with an address of a promoter website comprising the content associated with the reward;

causing a browser program at the local computer to navigate to the promoter website; and

enabling the user to redeem the reward at the promoter website.

9. The method of claim 8 further comprising the step of expiring the redeemed reward.

10. The method of claim 5 further comprising the steps of:

allowing the user to visit a promoter website and engage in a transaction;

allowing the user to indicate that the user desires to redeem a reward;

passing control to the webserver;

providing to the user, via the Internet, a list of applicable rewards that have been allocated to the user as stored in the database;

allowing the user to select a reward from the list of applicable rewards;

causing a browser program at the local computer to navigate to the promoter website; and

redeeming the reward at the promoter website.

11. The method of claim 10 further comprising the step of expiring the redeemed reward.

12. The method of claim 1 wherein the image displayed on the computer screen comprises text.

13. The method of claim 1 wherein the step of displaying an image on a computer screen of a local computer comprises displaying an image on a computer screen of a local computer, the image not comprising a reward indicator.

14. The method of claim 3 wherein the step of asking the user to input an ID number comprises the step of

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obtaining a unique identifier from a physical memory device.

15. The method of claim 14 wherein the physical memory device is one of a magnetic stripe card or smartcard.

16. The method of claim 1 further comprising the steps of

allowing the user to print the reward at the local computer;

enabling the user to redeem the reward at a physical location.

17. A computer-implemented method for interactively and electronically distributing and redeeming rewards via a computer network, the computer network coupled to a user computer and a central computer, the central computer coupled to a database, the computer network also coupled to a plurality of promoter computers, the method comprising the steps of:

at the user computer, displaying an image comprising a reward indicator;

enabling a user to select the image;

at a central computer, determining the identity of the user;

at the central computer, allocating to the user a reward associated with the reward indicator by storing a reward identifier in the database associated with the user; and

causing the user computer to connect with one of the

plurality of promoter computers associated with the selected image;

when the user wishes to redeem a reward, the central computer providing the user computer with a list of rewards associated with the user as stored in the database;

allowing the user to select a reward;

redeeming the reward at the one of the plurality of promoter computers associated with the selected reward.

18. The method of claim 17 further comprising the step of expiring the redeemed reward.

19. An interactive reward allocation and redemption method comprising:

providing a central computer coupled to a central database for storing rewards allocated to users, the central computer coupled to a computer network of user computers and promoter computers;

if a user at a user computer selects an advertisement with a reward indicator:

- (a) obtaining information to identify the user,
- (b) allocating a reward to the user in the central database, the reward associated with the selected advertisement and a promoter, and
- (c) transferring control to a promoter computer associated with the selected advertisement; and

if a user at a user computer indicates that the user desires to redeem a reward allocated to the user:

- (a) obtaining information to identify the user,

20. An interactive computer-controlled reward system to allow a user to collect rewards, the system comprising:

a user computer coupled to the computer network, the user computer enabling the user to select images with associated reward indicators;

a promoter computer coupled to the computer network;

21. The system of claim 20 wherein the image is an advertisement.

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ABSTRACT

An interactive reward system to allow a user to collect and redeem rewards is disclosed. The system can operate over the Internet or any other network of linked micro-processors which can reference a database. The user can obtain rewards when using a user computer. A reward can be obtained when the user selects an image or text, such as an advertisement, that has an associated (optional) reward indicator. A reward indicator can be, for example, a special logo or icon. When an image with a reward indicator is selected by the user, control is passed to a central computer that identifies the user and adds the reward to a database storing a list of rewards available for redemption by that user. Each reward is associated with a promoter's offer. Typically, each promoter will have a computer, such as a webserver. After a reward has been allocated to the user, the central computer passes control to the promoter's computer associated with the selected image. The user can access the central computer to see what rewards the user has collected, to transfer rewards, and to redeem rewards or to print reward coupons for redemption in a physical outlet. Rewards can also be redeemed at the promoter's computer, which will communicate with the central computer to ascertain if the selected reward is valid. The system has application to other networked devices other than the Internet, such as ATMs and telephones.

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23. The system of claim 22 wherein the user computer includes a cookie that stores a user ID.
24. The system of claim 22 wherein control is passed to the promoter computer by the central computer after the central computer allocates a reward to the user.
25. The system of claim 20 wherein control is passed to the promoter computer by the central computer after the central computer allocates a reward to the user.
26. The system of claim 20 wherein the user computer is an automatic teller machine.
27. The system of claim 20 wherein the user computer is a personal data assistant.
28. The system of claim 20 wherein the user computer is a point of sale terminal.
29. The system of claim 20 wherein the user computer is an in-seat entertainment unit.
30. The system of claim 20 wherein the user computer is a self-service kiosk.
31. The system of claim 20 wherein the user computer is a telephone with a computer chip and display screen.

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32. An interactive computer-controlled reward system to allow a user to rewards previously collected by the user, each reward associated with a promoter, the system comprising:

a computer network;

a central computer coupled to the computer network, the central computer comprising a database, the database storing a list of registered users and a list of rewards that have been previously collected by each user and that are available for redemption;

a user computer coupled to the computer network, the user computer enabling the user to select a reward for redemption from the list of rewards; and

a promoter computer coupled to the computer network, the promoter computer operated by a promoter;

wherein, when the user wishes to redeem a reward, control is passed to the central computer which identifies the user and allows the user to select a reward from the list of rewards, and thereafter control is passed to the promoter computer for the user to redeem the selected reward.

33. The system of claim 32 wherein the user computer comprises a printing device to allow the user to print a reward for physical redemption.

34. The system of claim 32 wherein the image is an advertisement.

35. The system of claim 32 wherein the computer network

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is the Internet, and the central computer is a webserver, and the promoter computer is a webserver.

36. The system of claim 32 wherein the user computer includes a cookie that stores a user ID.

37. The system of claim 32 wherein the user can access the central computer to transfer a reward on the list of rewards to another registered user.

38. An interactive reward allocation and redemption system comprising:

a central database for storing rewards allocated to users;

a central computer coupled to the central database and to a computer network of user computers and promoter computers;

means, located at the central computer, for obtaining information to identify a user;

means, located at the central computer, for allocating a reward to the user in the central database if the user at a user computer selects an advertisement with an optional reward indicator, the reward associated with the selected advertisement and a promoter;

means, located at the central computer, for transferring control to a promoter computer associated with the selected advertisement; and

means, located at the central computer, for providing to the user a list of rewards allocated to the user;

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means, located at the central computer, for enabling the user to select one of the rewards in the list of rewards; and

means to instruct the promoter computer of the promoter associated with the selected reward that a valid reward has been selected for redemption by the user.

39. The system of claim 38 further comprising means to allow a user to transfer a reward in the list of rewards to another registered user.

Fig. 1

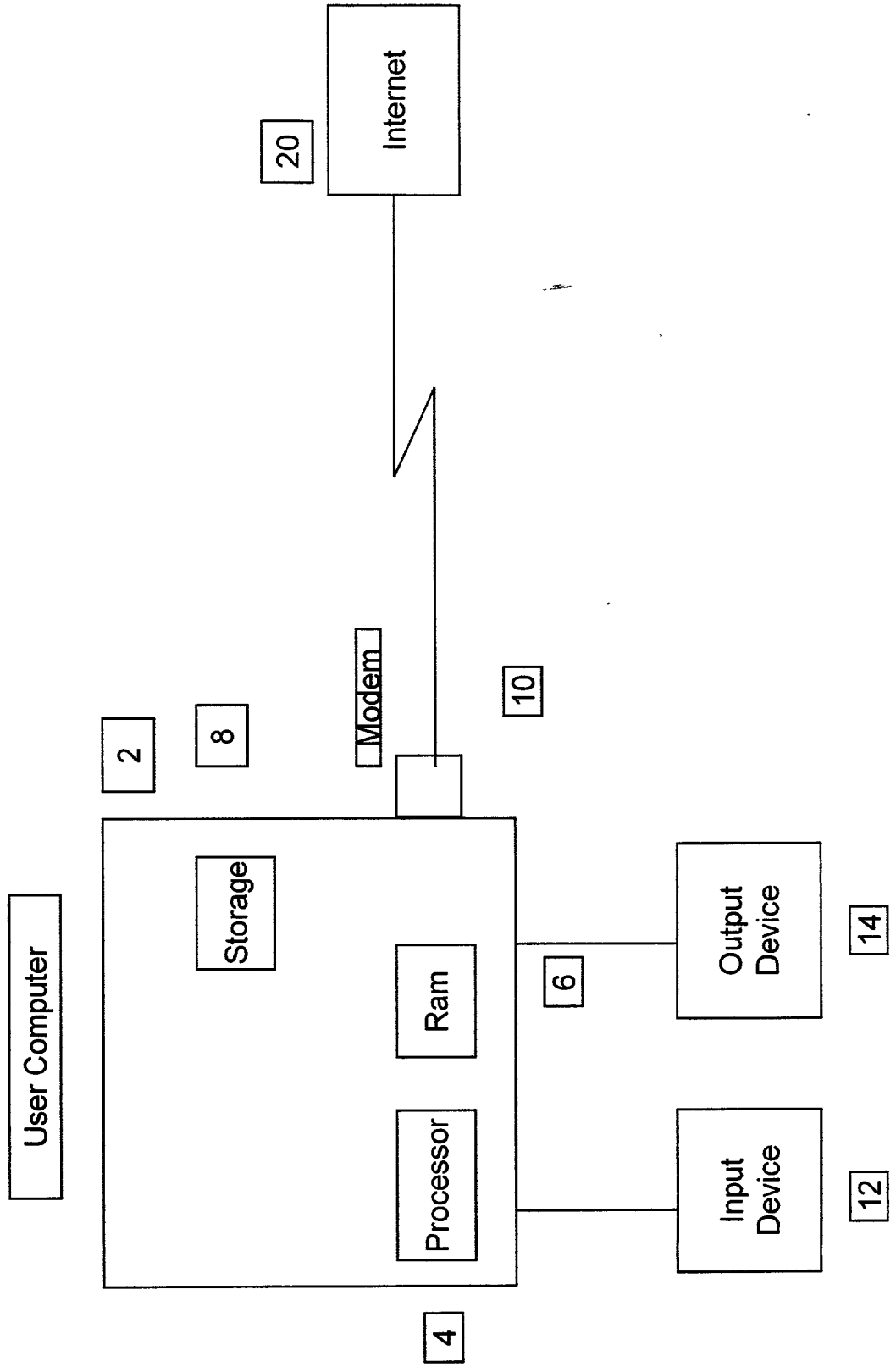


Fig. 2

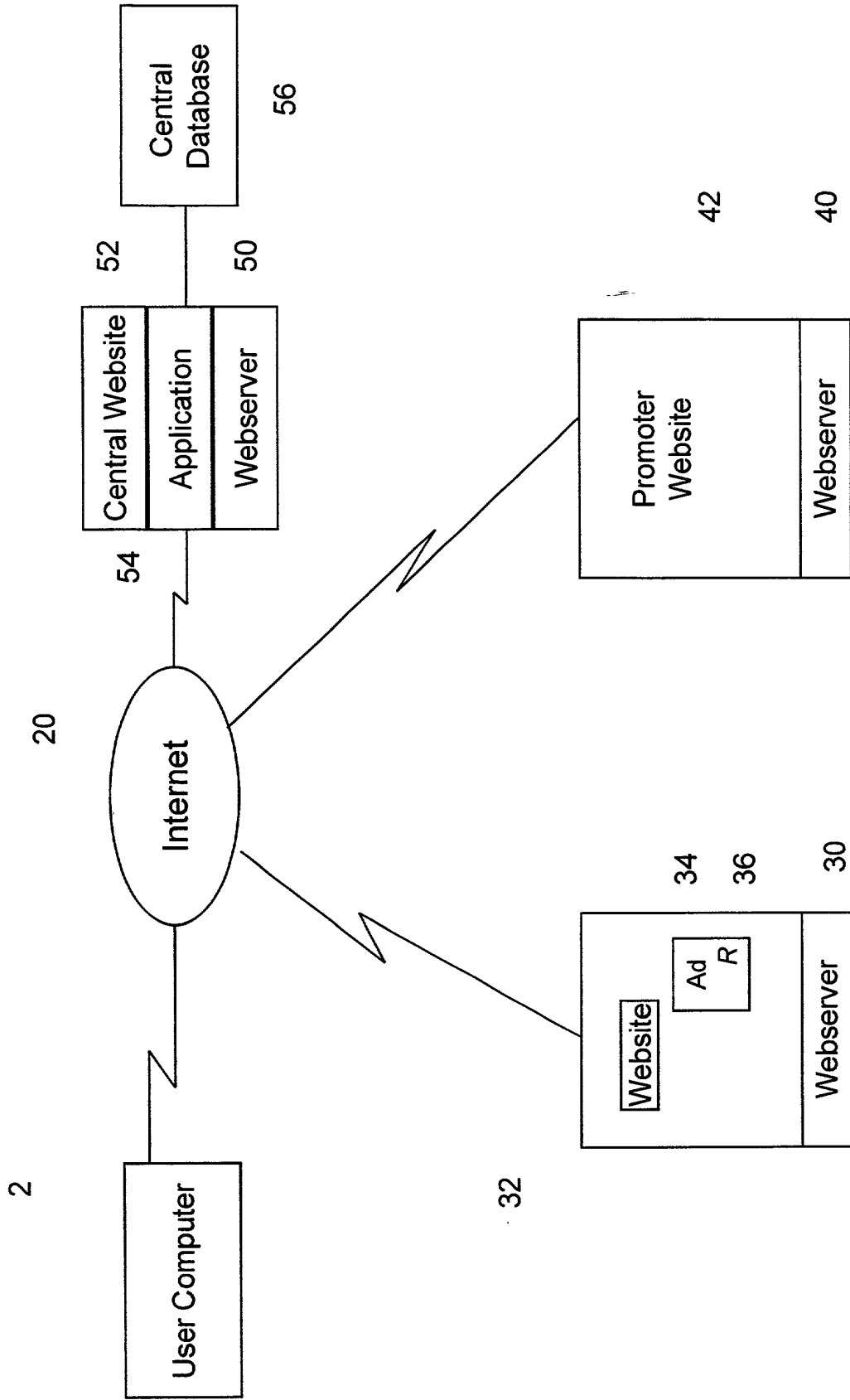


Fig. 3

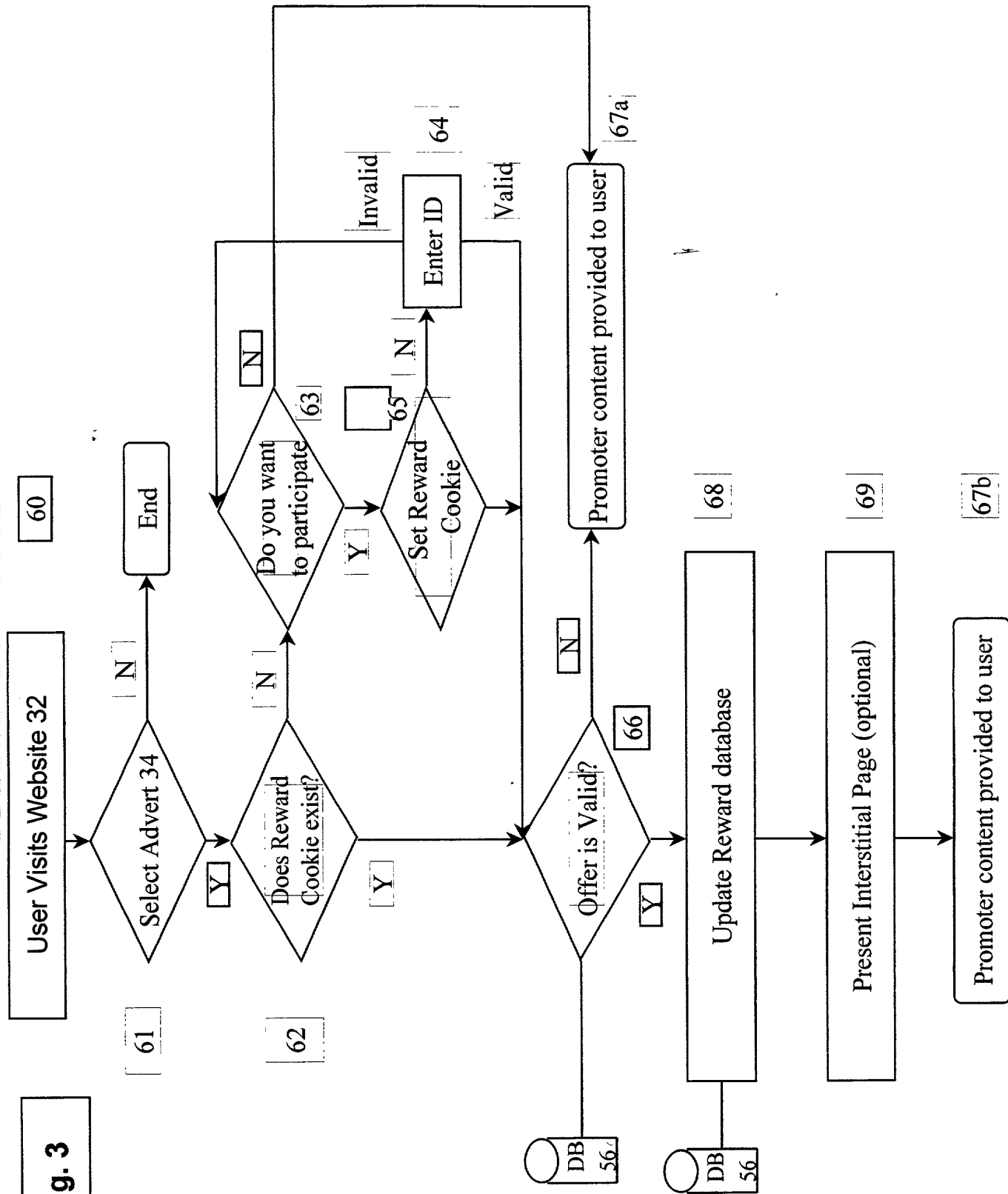




Fig. 4

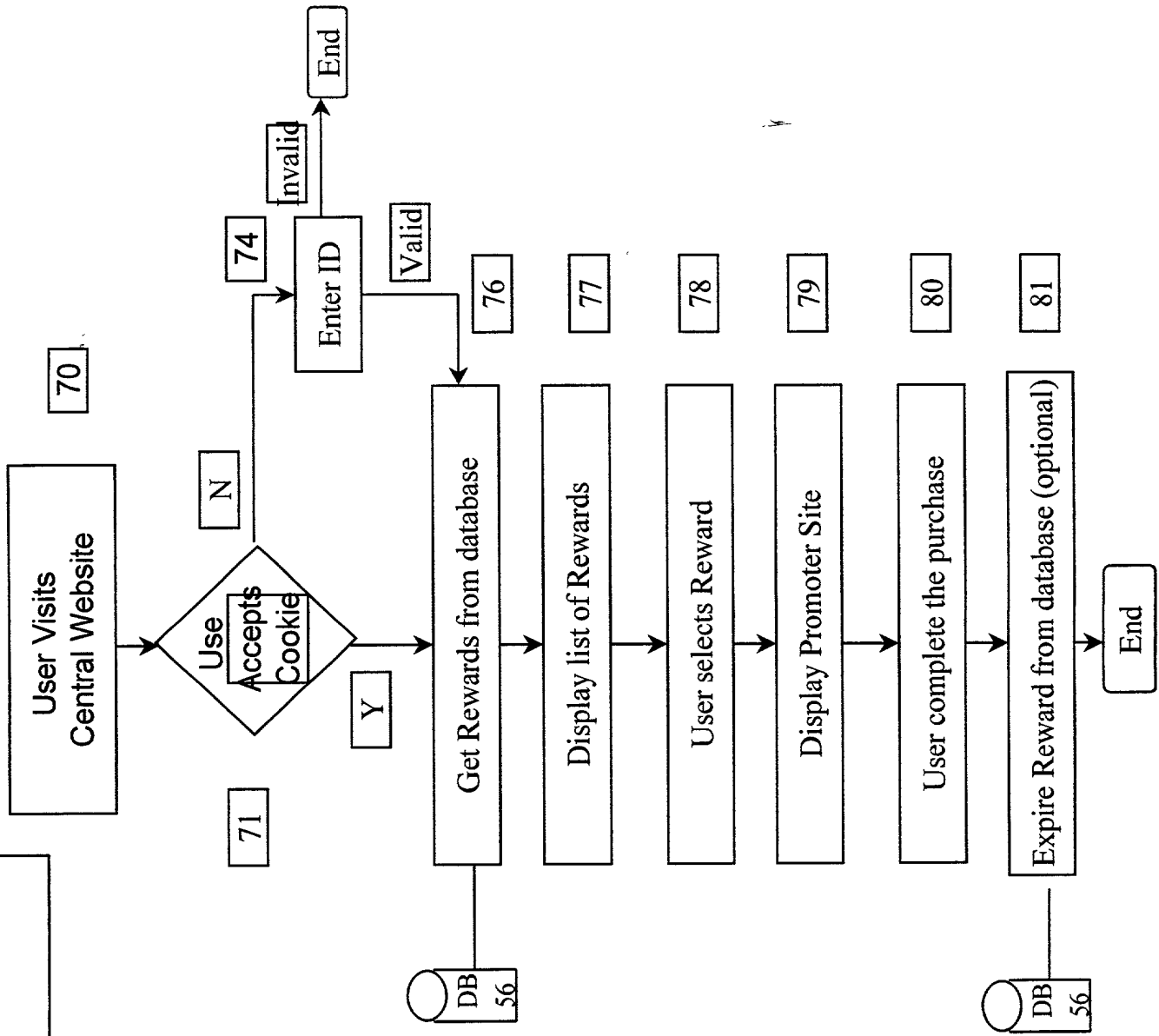


Fig 5.

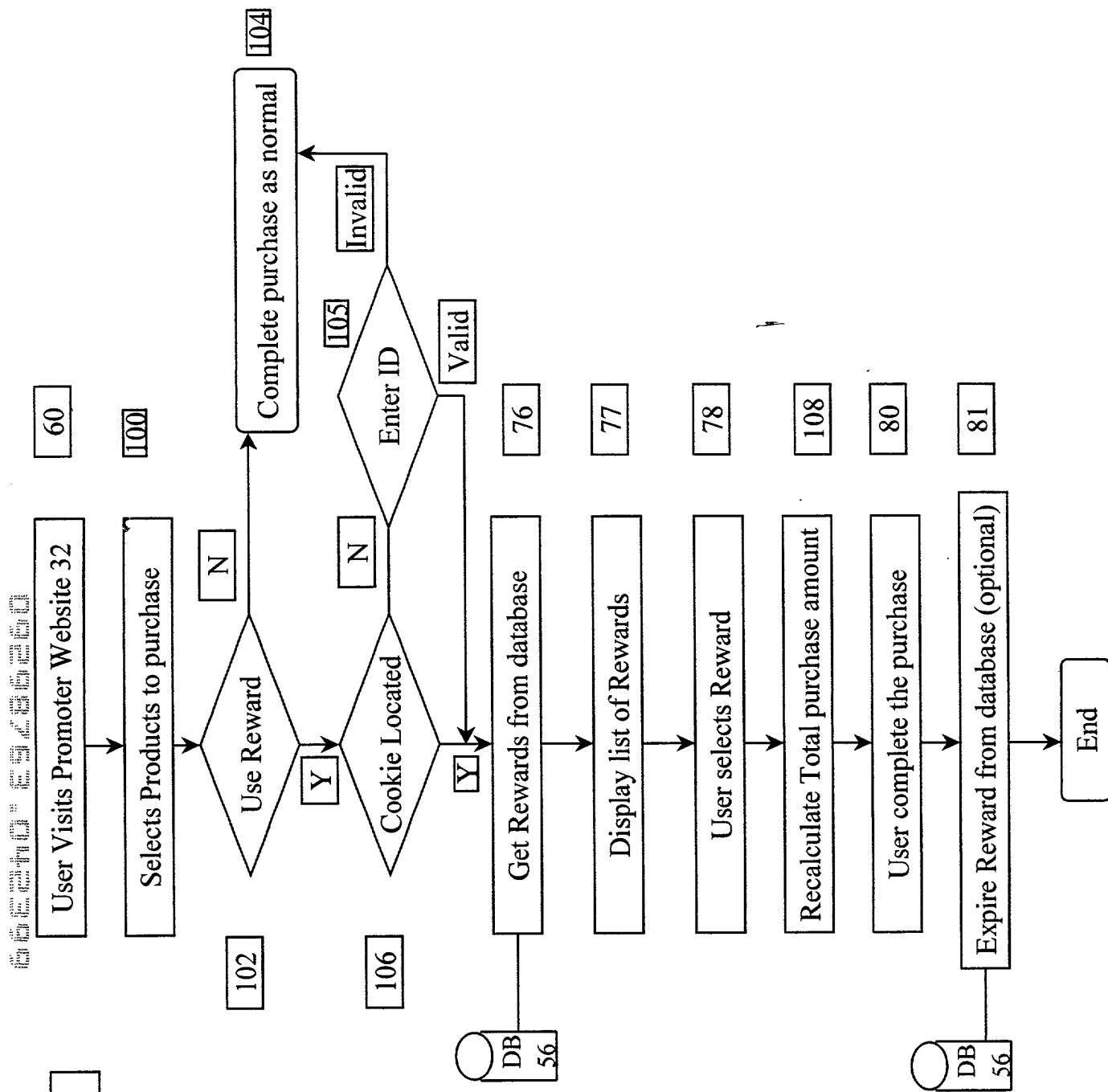
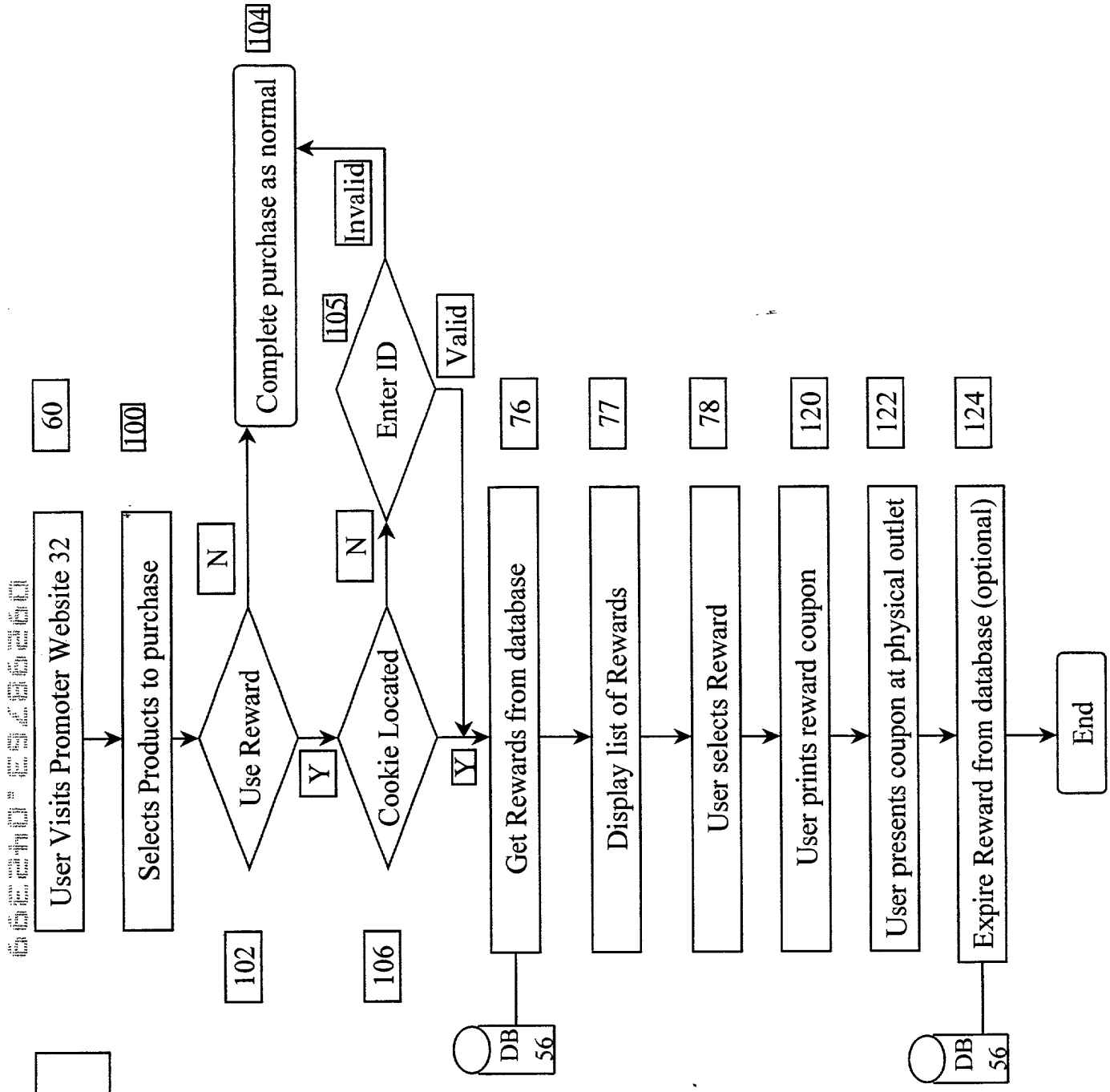


Fig. 6

<b>Promoter Table</b> <ul style="list-style-type: none"><li>• PromoterID</li><li>• Name</li><li>• Address</li><li>• Suburb</li><li>• City</li><li>• State</li><li>• Zip</li><li>• Country</li><li>• Company Name</li><li>• Email address</li><li>• Phone Number</li></ul>	<b>Offer Table</b> <ul style="list-style-type: none"><li>• OfferID</li><li>• PromoterID</li><li>• Type</li><li>• Status</li><li>• Code</li><li>• Details</li><li>• StartDate</li><li>• EndDate</li><li>• Can Copy</li><li>• Can Send</li><li>• Can Print</li><li>• HTTP Cod</li></ul>
<b>Reward Table</b> <ul style="list-style-type: none"><li>• OfferID</li><li>• UserCode</li><li>• DateAcquired</li><li>• RedeemStatus</li></ul>	<b>User Table</b> <ul style="list-style-type: none"><li>• UserCode</li><li>• CustomerID</li><li>• AccessCode</li></ul>

Fig 7



## DECLARATION AND POWER OF ATTORNEY FOR PATENT APPLICATION

As a below named inventor, we hereby declare that:

Our residence, post office address, and citizenship are as stated below next to our name.

We believe we are the original, first, and sole inventor of the subject matter that is claimed and for which a patent is sought on the invention entitled **INTERACTIVE REWARD SYSTEM AND METHOD** the specification of which

X is attached hereto.

was filed on \_\_\_\_\_ as United States Application Number \_\_\_\_\_ or PCT International Application Number \_\_\_\_\_ and was amended on \_\_\_\_\_ (if applicable)

We hereby state that we have reviewed and understand the contents of the above identified specification, including the claim(s), as amended by any amendment referred to above. We do not know and do not believe that the claimed invention was ever known or used in the United States of America before our invention thereof, or patented or described in any printed publication in any country before our invention thereof or more than one year prior to this application, that the same was not in public use or on sale in the United States of America more than one year prior to this application, and that the invention has not been patented or made the subject of an inventor's certificate issued before the date of this application in any country foreign to the United States of America on an application filed by us or our legal representatives or assigns more than twelve months (for a utility patent application) or six months (for a design patent application) prior to this application.

We acknowledge the duty to disclose information which is material to the examination of this application in accordance with Title 37, Code of Federal Regulations, § 1.56(a), a copy of which is attached.

## PRIOR FOREIGN APPLICATION(S)

We hereby claim foreign priority benefits under Title 35, United States Code, § 119(a)-(d), of any foreign application(s) for patent or inventor's certificate listed below and have also identified below any foreign application for patent or inventor's certificate having a filing date before that of the application on which priority is claimed:

APPLICATION NUMBER	COUNTRY	FILING DATE (day, month, year)	PRIORITY CLAIMED	
			Yes	No

## PRIOR UNITED STATES APPLICATION(S)

We hereby claim the benefit under Title 35, United States Code, §§ 119(e) and/or 120 of any United States application(s) listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States application in the manner provided by the first paragraph of Title 35, United States Code, § 112, we acknowledge the duty to disclose material information as defined in Title 37, Code of Federal Regulations, § 1.56(a) which occurred between the filing date of the prior application and the national or PCT international filing date of this application.

APPLICATION NUMBER	FILING DATE (day, month, year)	STATUS (i.e. Patented, Pending, Abandoned)

## POWER OF ATTORNEY: (We) hereby appoint:

Paul H. Heller (Reg. No. 21,074); John C. Altmiller (Reg. No. 25,951); Felix L. D'Arenzo, Jr. (Reg. No. 27,631); Shawn W. O'Dowd (Reg. No. 34,687); Joseph R. Palmieri (40,760) of KENYON & KENYON with offices located at 1025 Connecticut Ave., N.W., Washington, D.C. 20036, telephone (202) 429-1776 my attorneys with full power of substitution and revocation, to prosecute this application and to transact all business in the Patent and Trademark Office connected herewith.

SJ-6412-1

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SEND CORRESPONDENCE, AND DIRECT TELEPHONE CALLS TO:

John C. Alsmiller  
KENYON & KENYON  
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Washington, D.C. 20036  
(202) 429-1776 (phone)  
(202) 429-0796 (facsimile)

We hereby declare that all statements made herein of our own knowledge are true and all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under § 1001 of Title 18 of the United States Code and that such willful statements may jeopardize the validity of the application or any patent issuing thereon.

FULL NAME OF INVENTOR	FAMILY NAME WOOD	FIRST GIVEN NAME RAHN	SECOND GIVEN NAME
RESIDENCE & CITIZENSHIP	CITY COMO	STATE OR FOREIGN COUNTRY AUSTRALIA	COUNTRY OF CITIZENSHIP AUSTRALIA
POST OFFICE ADDRESS	POST OFFICE ADDRESS 11 TARONGA STREET	CITY COMO	STATE & ZIP CODE/COUNTRY NSW, 2226, AUSTRALIA
Signature <i>R. L.</i>		Date: 23 April 1999	

FULL NAME OF INVENTOR	FAMILY NAME BREESE	FIRST GIVEN NAME CHARLES	SECOND GIVEN NAME EDWARD
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POST OFFICE ADDRESS	POST OFFICE ADDRESS 40 KEPOS STREET	CITY REDFERN	STATE & ZIP CODE/COUNTRY NSW, 2016, AUSTRALIA
Signature <i>C. Breeze</i>		Date: 23 April 1999	

Title 37, Code of Federal Regulations, Section 1.56  
Duty to Disclose Information Material to Patentability

(a) A patent by its very nature is affected with a public interest. The public interest is best served, and the most effective patent examination occurs when, at the time an application is being examined, the Office is aware of and evaluates the teachings of all information material to patentability. Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability as defined in this section. The duty to disclose information exists with respect to each pending claim until the claim is canceled or withdrawn from consideration, or the application becomes abandoned. Information material to the patentability of a claim that is canceled or withdrawn from consideration need not be submitted if the information is not material to the patentability of any claim remaining under consideration in the application. There is no duty to submit information which is not material to the patentability is deemed to be satisfied if all information known to be material to patentability of any claim issued in a patent was cited by the Office or submitted to the Office in the manner prescribed by §§ 1.97(b)-(d) and 1.98. However, no patent will be granted on an application in connection with which fraud on the Office was practiced or attempted or the duty of disclosure was violated through bad faith or intentional misconduct. The Office encourages applicants to carefully examine:

(1) Prior art cited in search reports of a foreign patent office in a counterpart application, and

(2) The closest information over which individuals associated with the filing or prosecution of a patent application believe any pending claim patentably defines, to make sure that any material information contained therein disclosed to the Office.

(b) Under this section, information is material to patentability when it is not cumulative to information already of record or being made of record in the application, and

(1) It establishes, by itself or in combination with other information, a prima facie case of unpatentability of a claim; or

(2) It refutes, or is inconsistent with, a position the applicant takes in:

(i) Opposing an argument of unpatentability relied on by the Office, or

(ii) Asserting an argument of patentability.

A prima facie case of unpatentability is established when the information compels a conclusion that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving each term in the claim its broadest reasonable construction consistent with the specification, and before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

© Individuals associated with the filing or prosecution of a patent application within the meaning of this section are:

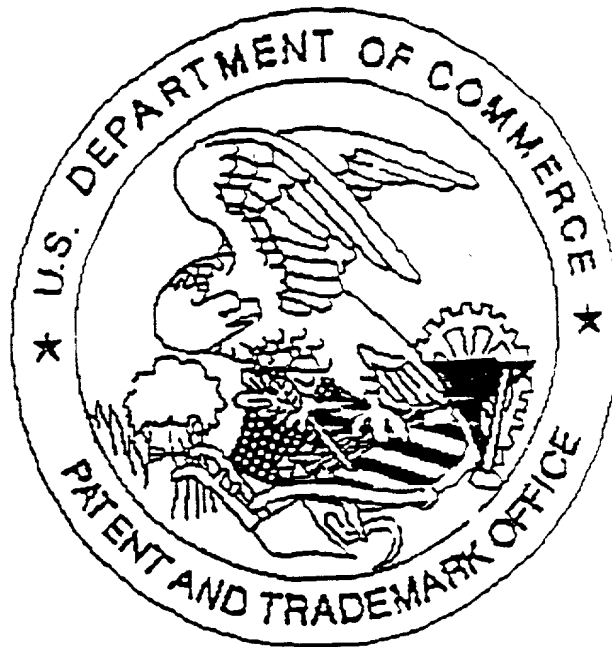
(1) Each inventor named in the application;

(2) Each attorney or agent who prepares or prosecutes the application; and

(3) Every other person who is substantively involved in the preparation or prosecution of the application and who is associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application.

(d) Individuals other than the attorney, agent or inventor may comply with this section by disclosing information to the attorney, agent, or inventor.

United States Patent & Trademark Office  
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